

**SHELBY COUNTY BOARD OF COMMISSIONERS  
AGENDA ROUTE SHEET**

Referred to Commission Committee (name) Legislative

For Commission Action on (date) September 23, 2009

A RESOLUTION BY THE BOARD OF COMMISSIONERS OF SHELBY COUNTY, TENNESSEE, REQUESTING THE MEMBERS OF THE TENNESSEE GENERAL ASSEMBLY TO SUPPORT LEGISLATION AMENDING TENNESSEE CODE ANNOTATED, TITLE 67, CHAPTER 5, SECTION 2509(d)(4) RELATIVE TO GIFTING PROPERTIES TO NONPROFIT COMMUNITY DEVELOPMENT ORGANIZATIONS. SPONSORED BY COMMISSIONER STEVE MULROY.

**CHECK ALL THAT APPLY BELOW:**

X This Action does NOT require expenditure of funds.

\_\_\_\_\_ This Item requires/approves expenditure of funds as follows (complete all that apply):

County General Funds: \$ \_\_\_\_\_ : County CIP Funds: \$ \_\_\_\_\_

State Grant Funds: \$ \_\_\_\_\_ : State Gas Tax Funds: \$ \_\_\_\_\_

Federal Grant Funds: \$ \_\_\_\_\_

Other funds (Specify source and amount): \$ \_\_\_\_\_

Other pass-thru funds (Specify source and amount): \$ \_\_\_\_\_

Originating Department: Community Services

**APPROVAL:**

Dept. Head: \_\_\_\_\_  
(Type your name & phone #.) (Initials) (Date)

Elected Official: \_\_\_\_\_  
(Type your name & phone #.) (Initials) (Date)

Division Director: Dottie Jones 545-4576 [Signature] 09/17/09  
(Type your name & phone #.) (Initials) (Date)

CIP – A&F Director: \_\_\_\_\_  
(Type your name & phone #.) (Initials) (Date)

Finance Dept.: James F. Huntzicker [Signature] 9/17/09  
(Type your name & phone #.) Whitcomb 9-17-09 (Initials) (Date)

County Attorney: Christy Kinard 545-4233 CK 09-17-09  
(Type your name & phone #.) (Initials) (Date)

CAO/Mayor: James F. Huntzicker 545-4514 [Signature] 9/17/09  
(Type your name & phone #.) (Initials) (Date)

ITEM NO: \_\_\_\_\_

PREPARED BY: Steve Mulroy

APPROVED BY: Christy L. Kinard *ck*  
Assistant County Attorney

**A RESOLUTION BY THE BOARD OF COMMISSIONERS OF SHELBY COUNTY, TENNESSEE, REQUESTING THE SHELBY COUNTY DELEGATION TO SUPPORT, AND MEMBERS OF THE TENNESSEE GENERAL ASSEMBLY TO ENACT, LEGISLATION AMENDING TENNESSEE CODE ANNOTATED, TITLE 67, CHAPTER 5, SECTION 2509(d)(4) RELATIVE TO GIFTING PROPERTIES TO NONPROFIT COMMUNITY DEVELOPMENT ORGANIZATIONS. SPONSORED BY COMMISSIONER STEVE MULROY.**

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**WHEREAS**, Vacant and abandoned properties have become a huge problem and negatively affect every district and neighborhood in Shelby County; and

**WHEREAS**, News stories and national studies continue to confirm that vacant and abandoned properties are a serious issue impacting neighborhoods all across America; and

**WHEREAS**, Plots of land overrun with high weeds, litter, and an occasional hollowed out structure are tragic cornerstones of community blight; and

**WHEREAS**, Vacant and abandoned properties tend to lower property values and present public safety and environmental hazards; and

**WHEREAS**, In Tennessee, many abandoned and vacant properties start out as tax-delinquent properties owned by private owners; and

**WHEREAS**, Shelby County currently owns about 3,300 tax delinquent properties and will acquire another 700 of these properties in 2010; and

**WHEREAS**, Land is one of the most important factors in local economic development today and must be managed well to improve existing land use practices, enhance livability of communities, and support local community development; and

**WHEREAS**, When there are vacant and abandoned properties in communities, neighboring property owners and the municipalities incur significant costs; and

**WHEREAS**, When property owners abandon their properties, the local municipality must use its own resources to clean and maintain the properties as part of their nuisance abatement responsibilities to protect the public health, safety, and welfare of its community; and

**WHEREAS,** Shelby County would like to encourage redevelopment in older communities that generally have little available land and neighborhoods that have been blighted by an out-migration of residents and businesses; and

**WHEREAS,** Current law allows Shelby County to gift tax delinquent properties to nonprofit community development organizations only for single family owner-occupied residential use; and

**WHEREAS,** This requirement limits the use of tax delinquent properties for nonprofit community development organizations and Shelby County wishes to have the authority to gift tax delinquent properties to nonprofit community development organizations for usage other than single family owner-occupied residential use as deemed appropriate by the officers of the County; and

**WHEREAS,** the Board of County Commissioners of Shelby County, Tennessee, believes that it is appropriate that a resolution be passed requesting the Tennessee General Assembly to amend Tennessee Code Annotated, Title 67, Chapter 5, Section 2509(d)(4) relative to gifting properties to nonprofit community development organizations.

**NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF SHELBY COUNTY, TENNESSEE,** that this Board, after careful consideration hereby requests the Shelby County Legislative Delegation to support, and members of the Tennessee General Assembly to enact, legislation amending Tennessee Code Annotated, Title 67, Chapter 5, Section 2509(d)(4), a copy of which is attached hereto and incorporated herein by reference, amending Tennessee Code Annotated, relative to gifting properties to nonprofit community development organizations.

**BE IT FURTHER RESOLVED,** that the Shelby County Legislative Delegation and members of the Tennessee General Assembly be made aware of this request by copy of this resolution.

**BE IT FURTHER RESOLVED,** that this resolution shall take effect immediately, the public welfare requiring the same.

\_\_\_\_\_  
A C Wharton, Jr., County Mayor

Date: \_\_\_\_\_

ATTEST:

\_\_\_\_\_  
Clerk of County Commission

ADOPTED: \_\_\_\_\_



AN ACT to amend Tennessee Code Annotated, Title 67, Chapter 5, Section 2509(d)(4), relative to gifting properties to nonprofit community development organizations.

**BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:**

Section 1. Tennessee Code Annotated Section 67-5-2509(d) (4) is amended by deleting that subsection in its entirety and replacing it with the following:

In any county having a population in excess of eight hundred thousand (800,000), according to the 2000 federal census or any subsequent federal census, in lieu of the sale to private purchasers as provided in subsection (b), the governing body of the municipality or county may convey property to a nonprofit community development corporation for the purpose of constructing or restoring residential dwellings for purposes wherein use by the nonprofit community development corporation is deemed by the proper officers of the municipality or county to inure to the benefit of the area the recipient nonprofit community development corporation is chartered or authorized to serve. The property may be conveyed on terms deemed appropriate to the governing body of the municipality or county, except that under no circumstances shall the nonprofit community development corporation be required to pay the taxes, penalties or interest for which the property was sold.

Section 2. This Act shall take effect upon becoming a law, the public welfare requiring it.

## **SUMMARY SHEET**

### **I. Description of Item**

Resolution requesting members of the Tennessee General Assembly to support legislation amending Tennessee Code Annotated, Title 67, Chapter 5, Section 2509(d)(4) relative to gifting properties to nonprofit community development organizations.

Vacant and abandoned properties have become a huge problem in Shelby County. These properties negatively affect every district and neighborhood in Shelby County. News stories and national studies continue to confirm that vacant and abandoned properties are a serious issue impacting neighborhoods all across America. They tend to lower property values and present public safety and environmental hazards. In Shelby County, many abandoned and vacant properties start out as tax-delinquent properties owned by private owners. We believe, land is one of the most important factors in local economic development today and must be managed well to improve existing land use practices, enhance livability of communities, and support local community development. When there are vacant and abandoned properties in communities, neighboring property owners and the municipalities incur significant costs. Shelby County would like to encourage redevelopment in older communities that generally have little available land and neighborhoods that have been blighted by an out-migration of residents and businesses. Current law allows Shelby County to gift tax delinquent properties to nonprofit community development organizations only for single family residential use. Shelby County would like to have the authority to gift tax delinquent properties to nonprofit community development organizations for usage other than single family residential use as deemed appropriate by the officers of the County.

### **II. Source and Amount of Funding**

Not applicable.

### **III. Contract Items**

Not applicable.

### **IV. Additional Information Relevant to Approval of this Item**

Text of proposed legislation is attached.